



DEPARTMENT OF STATE

[Public Notice: 12068]

Bureau of Political-Military Affairs; Administrative Debarment under the International Traffic in Arms Regulations involving VTA Telecom Corporation

ACTION: Notice.

SUMMARY: Notice is hereby given that the Department of State has imposed administrative debarment under the International Traffic in Arms Regulations (ITAR) on VTA Telecom Corporation.

DATES: Debarment imposed as of April 20, 2023.

FOR FURTHER INFORMATION CONTACT: Jae E. Shin, Director, Office of Defense Trade Controls Compliance, Bureau of Political-Military Affairs, Department of State (202) 632-2107.

SUPPLEMENTARY INFORMATION: Section 127.7(c)(2) of the ITAR authorizes the Assistant Secretary of State for Political-Military Affairs to debar any person who has been found pursuant to part 128 of the ITAR to have committed a violation of the Arms Export Control Act (AECA) when such violation is of such character as to provide a reasonable basis for the Directorate of Defense Trade Controls to believe that the violator cannot be relied upon to comply with the AECA or ITAR in the future. Such debarment prohibits the subject "...from participating directly or indirectly in any activities that are subject to [the ITAR]."

Debarred persons are generally ineligible to participate in activity regulated under the ITAR (see, e.g., §§ 120.15(b), 120.16, 120.18, 127.1(c), and 127.11(a)). The Department of State will not consider applications for licenses or requests for approvals that involve any debarred person.

VTA Telecom Corporation (VTA) violated the ITAR when it without authorization exported or attempted to export ITAR-controlled defense articles including hobby rocket motors, video trackers, including related technical data, and a gas turbine engine controlled under U.S. Munitions List Categories IV(d)(7), IV(h), IV(h)(11), XII(a), and XIX(c) to Vietnam, a proscribed country identified in ITAR 126.1 at the time of the ITAR violations. In addition, VTA violated the ITAR by knowingly providing false statements on the required end-use statements for the purpose of causing the export of defense articles to Vietnam.

On April 20, 2023, VTA entered into a Consent Agreement with the Department of State that settled its ITAR violations and that, pursuant to order of the Assistant Secretary for Political-Military Affairs, administratively debarred the company until April 20, 2026. Reinstatement after April 20, 2026, is not automatic, and it is contingent on VTA's full compliance with the terms of the April 20, 2023, Consent Agreement. At the end of the debarment period, VTA may apply for reinstatement.

This notice is provided to make the public aware that VTA is prohibited from participating directly or indirectly in defense trade, including any activities subject to the ITAR. Exceptions may be made to this denial policy on a case-by-case basis at the discretion of the Directorate of Defense Trade Controls. However, such an exception may be granted only after a full review of all circumstances, paying particular attention to the following factors: whether an exception is warranted by overriding U.S. foreign policy or national security interests; whether an exception would further law enforcement concerns that are consistent with foreign policy or national security interests of the United States; or whether other compelling circumstances exist that are consistent with the foreign policy or national security interests of the United States, and law enforcement concerns.

This notice involves a foreign affairs function of the United States encompassed within the meaning of the military and foreign affairs exclusion of the Administrative

Procedure Act. Because the exercise of this foreign affairs function is highly discretionary, it is excluded from review under the Administrative Procedure Act.

Jessica A. Lewis,

Assistant Secretary,

Political-Military Affairs Bureau,

Department of State.

[FR Doc. 2023-11686 Filed: 5/31/2023 8:45 am; Publication Date: 6/1/2023]